



# IDAHO DEPARTMENT OF HEALTH & WELFARE

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## **NEWS RELEASE**

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### **FRANKLIN COUNTY BENEFITS FROM \$6.3 MILLION DOLLAR INVESTMENT FROM THE DEPARTMENT OF HEALTH & WELFARE**

Last year, Franklin County residents and businesses received \$6.3 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 12,000 residents. Of Idaho's 44 counties, Franklin County ranks number 40 in per capita outlay of Health & Welfare dollars.

The disbursement of state and federal tax dollars amounts to \$534 for every man, woman and child residing in Franklin County. This includes citizens who may not receive a single direct service from the Department. The statewide average is \$839 per capita.

The Department distributed \$1.15 billion in Idaho communities in 2004. These funds came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Franklin County residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they are used to help people become healthy and productive. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at the local hospital, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Franklin County Commission Chairman Alan Carter says, “Economically having the (Department) money come into the county is a real plus. The people it helps really need that help. My daughter got help when she needed it. It makes me that much more grateful that the programs are there. As county commissioners, we deal with it all the time and see what some families are actually earning and trying to survive on. If the Department wasn’t there helping with Medicaid our indigent care program would really be getting slammed.”

Last year, the Department’s Medicaid Division spent \$4.9 million on health care for residents of the county. A large share of the dollars go to drug stores like Larry’s Family Pharmacy in Preston.

“Medicaid definitely is pretty important to us — about 15 percent of our business,” says store owner Larry Durant. “I have two other part time pharmacists and techs. This money helps to pay them. Not having Medicaid would definitely hurt the pharmacy. Economically, Medicaid pharmacy is very cost effective.”

The story is much the same at Franklin County Medical Center. “The (extra) payments we get (from Medicaid) are every bit as important as they have been in the past, if not more so,” says Hospital Administrator Paul Smart. “If we didn’t have them, I’m not sure we could survive.” The hospital received more than \$200,000 in Federal Upper Payment Limits (FUPL) last year in addition to regular payments for Medicaid patients. FUPL funds are paid to some county hospitals to help compensate for low Medicaid reimbursements rates. All Medicaid payments to the hospital totaled \$601,000 last year.

Franklin County residents received \$551,000 in Food Stamps, spending \$313,000 with local grocers to help feed them families. Stokes Thriftway Food Store in Preston redeemed most of that, \$305,800. Manager Reed Nelson says, “It’s pretty important. It’s a pretty big chunk of business.”

Food Stamp redemptions account for between two and three percent of their annual receipts. “The other store in town, OP Skaggs, closed a couple of years ago,” Nelson says. “Now, we are the only full-service grocery in town. It’s pretty apparent if customers have Food Stamps, they don’t have to drive outside the county,” like to Wal-Mart, 25 miles south in Logan, Utah, their major competitor, which added a food center a few years ago. Stokes Thriftway is investing \$3 million this year to add retail and storage space to keep up.

They have 130 full- and part-time employees. Nelson says sales increase five to seven percent a year. If they didn’t have the Food Stamp dollars, “You start laying off people. The first thing you have to control is your labor, and that’s the first thing to go.”

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community often stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

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**(Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 or Regional Director Nick Arambarri at 239-6280 for more information.)

**More information on Health & Welfare’s  
investment in every Idaho County  
can be found online at  
<http://www.healthandwelfare.idaho.gov>**